

## School Business – July 17, 2020

The FBS website continues to be updated with COVID-19 policies and information related to School Business and operations, as well as our ongoing operations. Please check this site regularly for updates: [www.dpi.nc.gov/districts-schools/district-operations/financial-and-business-services](http://www.dpi.nc.gov/districts-schools/district-operations/financial-and-business-services).

Recent posts:

- Schedule of COVID Funds as of July 17, 2020
- PRC123 Nondigital Resources \$3m – Policy approved by SBE 7/9/2020
- PRC133 ELISS Grants \$5m – Policy approved by SBE 7/9/2020
- Summary of 2020-21 Legislation - July 17, 2020 updated for SL 2020-56 (H1096)

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### **FY 2020 - 13th Month MFR File – Reminder - LEAs Only (Not Charter or Lab Schools)**

This is a reminder that we will pull the FY 2020 13th month MFR File on **Thursday evening, July 23, 2020**. Please make sure your LEA is signed into FY 20.

The 13th month information is very important because the information represents your "Per Pupil" calculation and the information is reported in the NC School Report Cards.

Please do the following before building the 13th Month MFR file (Please make sure that you are signed into FY 20):

- (1) Book the Period 12 zero-out entry to your GL in June (Period 12).
- (2) Correct all your MFR errors, including local account codes.
- (3) Review the AFR/MFR Recommendations located on the Financial and Business Services web page:  
<https://files.nc.gov/dpi/documents/fbs/finance/reporting/amfr/recommendations.pdf>
- (4) Local Fund 2 PRC 056 mirrors State Fund 1 PRC 056; otherwise, use Local Fund 2 PRC 706.
- (5) Your LEA will need to record your State Textbook expenditures through journal entries. (Rev. 1-3211-130-000 and Exp. 1-5110-130-412)

If you have questions about your MFR file, please contact Roxane Bernard at [roxane.bernard@dpi.nc.gov](mailto:roxane.bernard@dpi.nc.gov).

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### **Status of Allocations**

School Business Allotments section has been working diligently to implement the many mini budgets and incorporate all the changes in the public school allocations. There is a significant increase in the number of appropriations, sources of funds and bills to analyze and as a result, we have modified our approach to the allocations. Please refer to the Summary of Legislation on the [FBS homepage](#). The following is a summary of the status:

- All public school units, including LEAs, the renewal school system, charter schools, lab schools, and ISD have received their initial allotments, adjusted for all legislated changes to date.
- Reduction of NCVPS has been processed.

- CRF Summer Learning Program funds have been allocated to PSUs with approved plans as of 7/15/20.

Upcoming allocations in order of priority:

CRF funds - reallocating unexpended balances. These PRCs were allocated prior to June 30, and the balance will be allotted.

- PRC 125 – School Nutrition
- PRC 124- Student computers
- PRC 126 – Staff computers
- PRC 128 – mobile internet access points

CRF funds – allocations:

- PRC122- mental health contracted
- PRC123 – non digital resources

Remaining COVID funds will be included in revisions as grants and policies are approved.

Please refer to the details on the FBS website for further information on the COVID appropriations.

State allocations not included in the initial allotments including approved carryover, if applicable, connectivity, assistant principal interns, sub reimbursement, CIHS.

Please note: SL 2020-80 Section 2.4 reduced the School Technology funds by \$18m. therefore, no new allocation will be available for 2020-21. School technology carry over funds will be allotted.

We hope that this summary will provide you with a sequence of events and assist in your budget planning. We appreciate the patience and support as we work through each appropriation and task.

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## **ESSER (CARES Act) Equitable Services – location code 860**

LEAs should code expenditures related to equitable services to location code 860.

Expenditures coded to this location are those that benefit of another organization or students that are not in ADM in your LEA.

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## **Federal Overspent Programs - LEAs Only**

Please wait until DPI sends your LEA a letter providing instructions on how to pay back any federal overspent programs from FY 19-20. Note the following:

- An LEA cannot pay back federal overspent programs through the BUD system.
- An LEA cannot prepare BUD entries to pay back Single Audit Questioned Costs regarding federal funds. An LEA will need to send in a check from local funds to pay back federal questioned costs.

- An LEA can pay back State overspent for FY 19-20 as a *prior* year refund within the BUD system.

If you have additional questions, please contact Roxane Bernard at [roxane.bernard@dpi.nc.gov](mailto:roxane.bernard@dpi.nc.gov).

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### **Allocations – Allotment System – Charter and Lab Schools**

To see the 100% initial allocation for charter and lab schools, please go into the Allotment System and follow the instructions below:

- Select – LEA\_Allotment tab
- Select – Charter School Revision Detail or Lab School Detail – Dark Blue Line
- Select – Charter School or Lab School
- Select - Option 1- Initial Budget

Contact [Lydia.Prude@dpi.nc.gov](mailto:Lydia.Prude@dpi.nc.gov) if you have additional questions.

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### **Charter, Regional, and Lab School Indirect Cost Rates**

Indirect cost rates for fiscal year 2021 for charter, regional, and lab schools are posted on the DPI website: <https://www.dpi.nc.gov/districts-schools/district-operations/financial-and-business-services/federal-fiscal-oversight-and-compliance/fiscal-compliance-and-reporting#indirect-cost-rates>.

If you have any questions about these indirect cost rates, please contact John Keefer, Public School Budget Manager, at [John.Keefer@dpi.nc.gov](mailto:John.Keefer@dpi.nc.gov) or (984) 236-2453.

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### **EC Division Update**

Due to the numerous requests for grant extensions, the due date for initial submissions for PRC 29, 132, 49, 60 and 70 has been extended until July 31st for all LEAs. Grants that have already been submitted will be reviewed, as previously scheduled. After 31st, no extensions will be granted without there being extreme circumstances. No initial submissions will be accepted after July 31st.

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### **From Federal Programs - Small, Rural School Achievement (SRSA) (PRC 091)**

For many years NC has offered flexibility in spending through the SRSA program. This program within NC did not provide additional funds to the LEAs, only flexibility with how the funds were used. NC will no longer be able to offer this flexibility with SRSA funds. As we continue to gain additional clarity about ESSA, this portion of the law surrounding SRSA doesn't provide NC the ability to provide the flexibility we have been offering because SRSA is not a pass-through grant like the other Title programs and we must ensure we are in compliance with the federal law.

For the LEAs who have utilized this flexibility in the past, any carryover remaining in PRC 091 will be available to you. This year however, you will have to complete the Title II and/or Title

IV grant application, not the SRSA grant application, if you decide to take advantage of these funds. For more information or if you have questions please contact Alex Charles at [alex.charles@dpi.nc.gov](mailto:alex.charles@dpi.nc.gov).

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## From Federal Programs - PRC 105 and PRC 115 Funding

The chart below can be used as a guide to assist with understanding the period of availability for remaining TSI/PRC 115 funds, CSI/PRC 105 funds, and IPG/PRC 115 funds. Please note the final encumbrance deadlines for each of these funding sources is *September 30, 2021* with a final liquidation date of *December 31, 2021*. Please submit carryover budgets for PRCs 105 and 115 (TSI and IPG Cohort I-A) no later than **July 31, 2020**. If you need additional time to submit your carryover budget, please email Dr. Melissa Nixon at the email below to request an extension. Please note, the 2019-20 Grant Award Notification letters (GANs) for PRC 105 did not include the correct end date and are being revised and will be emailed in the next week. If you have any questions, please contact Dr. Melissa Nixon at [melissa.nixon@dpi.nc.gov](mailto:melissa.nixon@dpi.nc.gov).

Year	PRC	Expiration Date
2018-2019	105 (CSI)	September 30, 2021
2018-2019	115 (TSI – Carryover Only)	September 30, 2021
2019-2020	105 (CSI)	September 30, 2021
2019-2020	115 (IPG)	September 30, 2021

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## Reminder

- July PSBCF and NBPSCF Lottery Distribution Requests - Due **July 22, 2020**  
Details are in the June 26, 2020 newsletter. \*
  - \* <https://www.dpi.nc.gov/districts-schools/district-operations/financial-and-business-services/school-district-finance-operations/procedures-and-guidance#newsletter>
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